

REMARKS

Claims 1-86 are pending in the application, of which claims 3-15 and 17-86 have been withdrawn from consideration. In the Office Action it is noted that claims 1, 2, and 16 are rejected under 35 U.S.C. § 102.

By this Amendment, claim 1 has been amended to more particularly point out and distinctly claim the invention.

35 U.S.C. § 102 Rejection

Claims 1, 2, and 16 presently stand rejected under 35 U.S.C. § 102(a) over Japanese Published Patent Application No. 11-249152 (A) to Shida et al (“Shida”).

Claim 1, as amended, recites, *inter alia*:

opposing a first panel element and a second panel element, each having at least one display layer of a light modulating layer, including positioning the first and second panel elements relatively to each other (panel-opposing step);

Thus, claim 1 requires that each of the panel elements have a display layer containing a liquid crystal material.

Shida is directed towards a method of manufacturing a single-layer display element. As such, Shida is not concerned with adhering opposing layers that each have a display layer of a light modulating layer. Instead, Shida discloses a method wherein a TFT substrate 1 and a CF substrate 2 are opposed and sealed. The TFT substrate 1 disclosed by Shida has a glass substrate and transistor elements arranged in a matrix on said glass substrate (Shida, p. 6, para. 0013). With respect to a portion wherein the TFT elements are arranged on the glass substrate 1, a light incident into the glass substrate is always shielded by the TFT elements on the glass substrate regardless of applying of a voltage to the TFT elements, but is not modulated. With respect to a portion wherein the

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TFT elements are not arranged on the glass substrate, the light incident into the glass substrate is transmitted through the glass substrate, but it is not modulated. Thus, the TFT substrate 1 disclosed in Shida does not include a light modulating layer.

Thus, the TFT layer disclosed in Shida does not meet the requirements of either of the first and second panels recited in claim 1. Therefore, Shida fails to disclose the step of "opposing a first panel element and a second panel element, each having at least one display layer of a light modulating layer" as recited by claim 1. Consequently, since Shida fails to disclose all of the limitations of claim 1, Shida cannot anticipate claim 1, or claims 2 and 16 which depend from claim 1.

Accordingly, it is respectfully requested that the rejection of claims 1, 2 and 16 under 35 U.S.C. § 102(a) as allegedly being anticipated by Shida, be reconsidered and withdrawn.

CONCLUSION

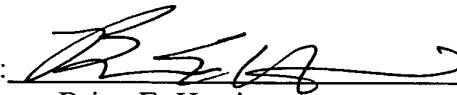
In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and an early reconsideration and a Notice of Allowance are earnestly solicited.

This Amendment does not increase the number of independent claims, does not increase the total number of claims, and does not present any multiple dependency claims. Accordingly, no fee based on the number or type of claims is currently due. However, if a

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fee, other than the issue fee, is due, please charge this fee to Sidley Austin Brown & Wood LLP's Deposit Account No. 18-1260.

Respectfully submitted,

By: 
Brian E. Harris
Reg. No. 48,383
Agent for Applicants

BEH/llb:bar:jjk
SIDLEY AUSTIN BROWN & WOOD LLP
717 N. Harwood, Suite 3400
Dallas, Texas 75201
Direct: (214) 981-3461
Main: (214) 981-3300
Facsimile: (214) 981-3400
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